

INFORMATK REPORT

COUNTRY

Germany (Russian Zone)

DATE DISTR. 13 July 1948

SUBJECT

Purchases of Mining Equipment
by Soviet Satellites~~CONFIDENTIAL~~

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SUPPLEMENT TO 25X1
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1. The purchases of mining equipment by the Yugoslav and Polish Military Missions and the Bulgarian Purchasing Commission in Berlin, ordered by a Soviet agency in Prague and initiated early in May 1948, were temporarily suspended by the Yugoslavs from about 20 May to 1 June 1948. Among Polish and Lithuanian employees of the Yugoslav Mission, the reason was rumored to be Soviet retaliation for the retention in Yugoslavia of industrial products which the Russians had earmarked for other localities. The question was apparently settled, since on 1 June the chief of the Yugoslav Military Mission received fifteen million marks from the Russians.
2. In spite of the Yugoslav suspension, purchases from 24 to 29 May were so extensive that by 28 May the storage bunker, used primarily by the Bulgarians, at Chausseestrasse 35, Berlin, was unable to receive any more goods. Several freight trains were re-routed to the "Waldchen" area of Pankow-Niederschönhausen, where there is a series of former bunkers used by the Polish, Yugoslav, and Bulgarian agencies. Among the goods deposited at Chausseestrasse 35 were many unmarked boxes, which the Polish employees at the bunker conjectured contained drills and machine parts for prospecting machines, and chemicals procured by the Bulgarian Purchasing Commission. The latter included three tons of astrophanyl from the Schering Kahlbaum firm in the French sector of Berlin and forty boxes of gastryl, weight unknown, from the Heysten firm, location unknown. An earlier purchase of forty tons of bar aluminum, without a stamp, was delivered in boxes from which the firm name had been obliterated; the place, Radolfzell (W 90, French zone), was still legible.

Comment:

Chausseestrasse bunker was designated as used by the Yugoslavs and Niederschönhausen bunkers by the Bulgarians. The "Waldchen" site, [] contains a number of bunkers, of which the Yugoslavs, the Bulgarians, and the Poles each use one, while the remainder are utilized by SMA for food storage. [] also added that the area is guarded, not by Russian civilians as previously stated, but by "MVD" personnel in civilian clothes during the day and by Russian field police at night.

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3. A further intensification of purchasing by the Yugoslav Military Mission and the Bulgarian Purchasing Commission occurred from 1 to 5 June. As noted above, the Yugoslavs received new funds from the Russians on 1 June, and the Bulgarian Commission also was given an unspecified sum. On the following day, additional German money was brought to the Bulgarians by courier from Prague. Total Yugoslav purchases for the week were estimated by one of the bunker employees at over thirty million marks. Included in this amount were the deliveries, made on 4 June, of Yugoslav purchases alone, of:
- 3 pump motors with attachments for mining use 459,000 RM
(paid in Pankow the same morning)
 - 1 truck full of lead pipe (price unknown)
 - 1 complete telephone and signal installation for special mining use (from Mix & Genest, Berlin) 1,500,000 RM
 - amplifiers, loud-speakers, cable switchboard for the signal installation 4,000,000 RM
 - 2 cars full of steel bits, various sizes (price unknown)
 - 1 box of industrial platinum, with the Reichsbank stamp 5,600,000 RM

This equipment was stored in the Niederschönhausen bunkers.

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Comment: The discrepancy in amounts of the signal equipment and its accessories is explained as a measure to avoid taxation by Mix & Genest. The 1,500,000 RM was officially entered on the books, but the additional four million did not appear in the record of the transaction.

4. During the last week of May 1948, at the Chausseestrasse bunker, two or three hundred boxes were opened and their contents, apparently an electro-physical measuring instrument with a milky-white, slightly opalescent tube about sixty centimeters long, repacked for shipment. The apparatus was transferred, carefully packed in wood shavings, to wooden boxes, with carrying tackle, some of which were former Luftwaffe bomb cases.
5. Concealment of the actual source of these transactions was increased. In the last week of May, the Chausseestrasse bunker was given a sign with the name Balorex and Texta, a firm not legally registered but actually functioning as a Soviet purchasing agency. The Strunk firm ceased all business operations, but its former connections were taken over by Kurt Feuer, Kressinger Strasse 48-50, N 65, who is reported to deal in Russian with representatives of the Polish and Yugoslav Military Missions and the Bulgarian Purchasing Commission.
6. About the middle of May, the Polish Military Mission opened a branch office for the exclusive purpose of purchasing mining equipment. Inquiries were made about the possibility of buying Geiger counters, although none had actually been acquired. This new office is not directed by Prague like the others but occupies office space with the Polish Trade Delegation in Thalstrasse, Pankow. The head of the office, an engineer named Senju, is reported to receive funds and instructions from a Soviet Colonel Katjev or Katyov, who usually wears civilian clothes and is officially employed in the Interzonal Pass Section of the Pankow district office. Transactions of the Polish branch office are handled with strict security and agents are not permitted to visit the Thalstrasse office but are instead met at the men's wear establishment of Nattke or Jettke, Berliner Strasse, Pankow.
7. A Yugoslav named Pinto but calling himself Dr. Thintus, attached to the Yugoslav Military Mission, is occupied also with procurement for the Bulgarian Purchasing Commission. He has been the specialist on mining equipment in the entire purchasing program. He works with a Bulgarian specialist in the same field, Govedarsky.

8. A secondary firm in the Niederschönhausen area is engaged in buying and in some cases in reprocessing stolen cars. The extent of the connection between this firm and the Yugoslav Military Mission is uncertain, but Kurt Feuer is reported to be an organizer of groups of car thieves.